CHAPTER 9
Contract Change Requests

What you will learn about from this Chapter:

- **Overview of Changes and Mods**
- **Adding Change Requests**
- **Mandatory Mods/User Requests**
- **Describing a Change Request**
- **Necessity for Change Request**
- **Tracking and Funding**
- **Agency and Reason Codes**
- **Mod Type and Stage Codes**
- **Basic Change Document (BCD)**
- **Supporting Documents**

CHAPTER 9: Contract Change Requests

Overview

Most contracts will need to be modified or changed at some point in their life cycle.

For military projects: When an appropriation is made, contingency funds are generally allocated to cover modifications that arise. As modifications are proposed and funding entered, the necessary funds are automatically subtracted from the contingency amount and added to the un/awarded estimate amount (for status 5 mods) on the *Construction Working Estimate* screen. When a modification is designated as *Complete* (status 6 mods), the funding amount is added to the award contract amount.

For civil projects: Contingency funds are not generally allocated for the contract. When modifications need to be funded, additional money is added to the contract.

RMS looks at modifications in very distinct parts. The first defines the change and tracks actions before the change becomes an official contract modification. During this time, RMS refers to the change by **Change Request Number**, using your **Prefix Code for Change Requests** and a sequential number. The **Prefix Code for Change Requests** is identified on the **Office/Office Description** screen as shown below. The second part begins once all actions on the **Change Request** are complete. The third part adds the **Reference Number** and creates the modification package. The final step is the identification of the package through the **Standard Procurement System (SPS),** referred to as **PD²** (*Procurement Desktop Defense*), which will provide the **A** or **P** modification number (A = those signed by the ACO and P= those signed by the PO).
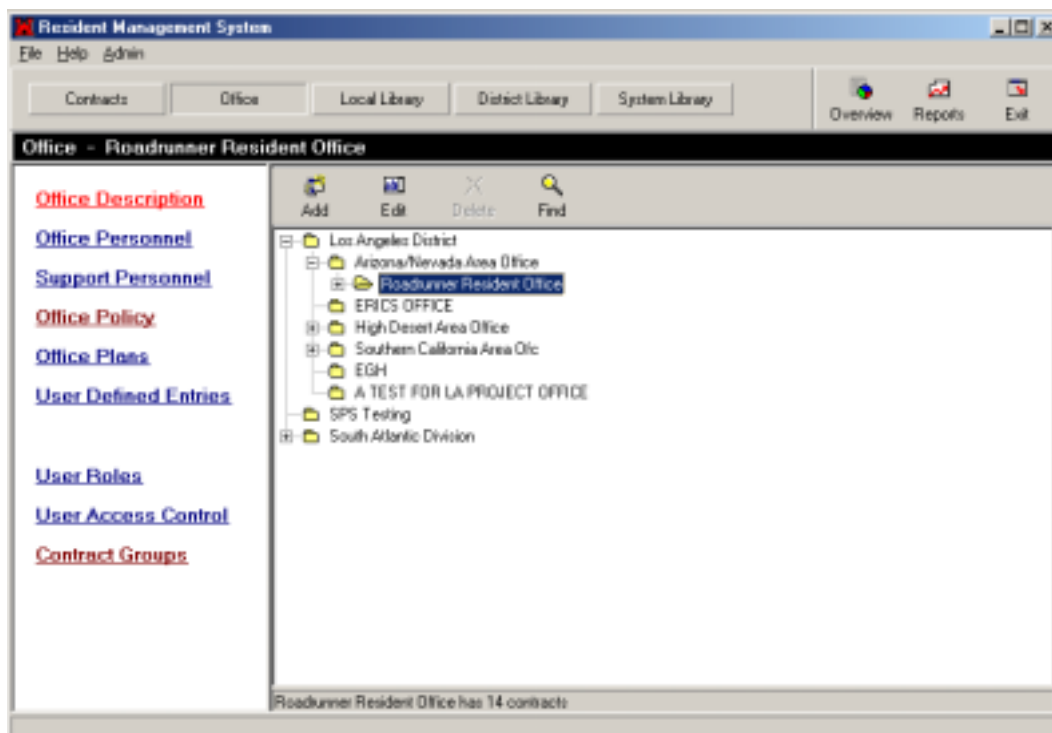
Now that the office has the appropriate codes setup, you are ready to begin working with changes and modifications.

Contract Change Requests

A **Change Request** is generated in anticipation of a potential or real Modification to the Contract. The process generates what is known as a ***Basic Change Document (BCD)***, and it communicates the change to Engineering, the Designer, Project Management, etc. The ***BCD*** describes the change, the reason it is necessary, the initial estimated cost and time impact and may also be used to evaluate AE liability if Design Errors or Omissions cause the change.

Change Requests follow a predictable route through RMS with entries being made at each of the options on the process menu in turn:

1. Inception
2. Description
3. Status and Funding

Each menu choice may have several topics, with many topics shown on a separate screen.

The process of adding a Change Request is a matter of following logical steps and tracking to completion. In the example screen below, you can see that all steps, except funding, have been completed, as is indicated by the presence of the **red** "check marks" on the bottom section of the screen.

A new **Change Request** can be added or selecting it and pushing the Edit button at the top of the screen or by double clicking on it with the mouse can edit an existing one.

Push the **Add** button at the top of the screen and enter the **Change Request** number on the pop-up screen as shown below.

The default prefix is captured from the Office Information screen as shown above.

Push [✓ Finish] when you are complete with entering or accepting the Change Request number.

Inception Tab

> **The top portion of the screen is completed first by giving the Change Request a "title", then entering the "inception date" and the other "codes" shown, using the Lookups as shown below.**

A   In addition to the general type of documents needed, **Claim** milestones and documents can be tracked for later retrieval and review. If this **Change Request** is a **Claim**, check the **Claim** box.

B   The **Agency Code** lookup provides the *Originating Agencies* table from the Local Library (*Local Library / Letter Agency Codes*).

Agency Codes can be added, modified, or deleted only from the **Local Library**.

C

The **Reason Code** lookup is from the System Library and provides the Mod Reason Code (*System Library / Mod Reason Codes*).

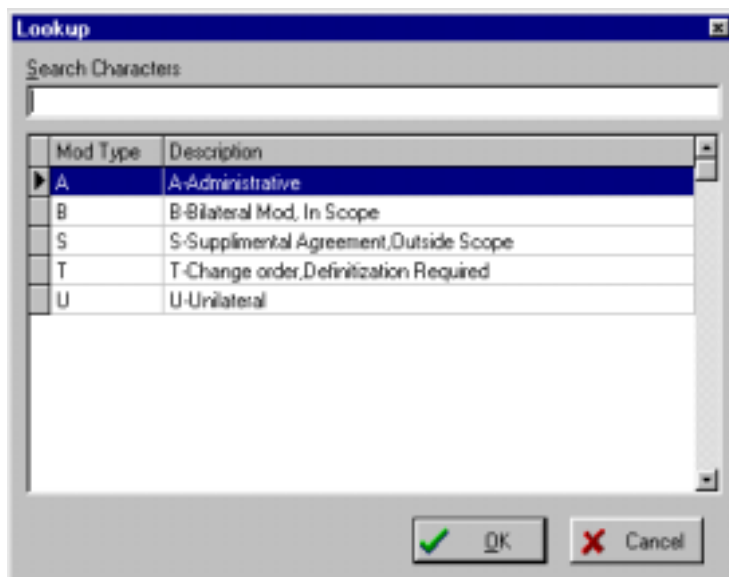**Reason Codes** must be added, modified or deleted only from the **System Library** by the RMS Center.

Reason Code	Title
1	Engineering Changes
4	User Changes, Discretionary
5	Contract Option Exercised - After Awd
6A	Miscellaneous Changes - Inaccurate Pricing
6B	Miscellaneous Changes - Taxes and Duties
6C	Miscellaneous Changes - Gov't Possession
6D	Miscellaneous Changes - Inspection
7	Differing Site Conditions
8	Value Engineering Change
9	Admin. Change - Address Change - Etc
E	Excusable Delay for No Fault

Mandatory Modifications/User Requests (Military)

Modifications can be classified into two categories.

   a. Mandatory modifications: Modifications that are required to make a complete and operable facility.

   b. User Requests: Modifications which may not be mandatory, but which improve efficiency or operations, maintainability, or aesthetics. The Corps has authority to initiate all mandatory modifications, provided funds are available. Likewise, User requests on contracts with reimbursable funds can be initiated provided the funding authority has given approval and made funds available.

Mod Type	Description
A	A-Administrative
B	B-Bilateral Mod, In Scope
S	S-Supplimental Agreement,Outside Scope
T	T-Change order,Definitization Required
U	U-Unilateral

D

The **Mod Types** is likewise from the **System Library** (*System Library / Mod Types*) and are controlled by the RMS Center.

Signatures

This first screen is used to record the name and title of the person(s) requesting, recommending and approving the *Basic Change Document*.

Use the Lookup to select each name as required.

Description Tab

Pushing the **Add** button will afford the opportunity to enter one, or more items for this single **Change Request**. After they have been added, the screen will show the *items* entered in an abbreviated listing and show the accumulated totals for each item.

All the information on this screen is entered from either selecting the **Add** button to add a new BCD item, or the **Edit** button to modify an existing item.

> **Push the Add button to enter a new Change Request item. Or, push the Edit button to modify or change an existing Change Request item.**

The Add selection presents the following screen:

RMS will populate the BCD Item Number with the next sequential number available, but it can be changed if desired.

Push [✓ Finish] when you are

completed with the number.

Description of Change

Complete the top portion of the screen, as may be needed, including a best guess Estimate of *Cost and Time impacts.*

The detailed **Description of Change** should be carefully entered. It will be used in supporting documents, such as the RFP, PNM and BCD.   The **Description of Change** should be carefully reviewed and, if necessary, changed to reflect the actual scope of work following final negotiations. For ease of reading, the description should be entered in *upper and lower case*.

Necessity for Change

The **Necessity for Change** is primarily for the **BCD** and not usually provided to the Contractor.

Contract modifications may originate as a result of unexpected delays in performance, excessive variations in estimated unit price quantities of work, differing site conditions, or actions of the Government in connection with necessary or beneficial occupancy, work suspensions, etc., for which adjustments in the contract price and/or time are due under specific clauses contained in the contract. Other change orders may be initiated to provide for physical changes to the contract facilities or structures pursuant to the "Changes" clause. Such changes to the original contract requirements usually generate from three primary sources:

    a. Design or approved criteria changes.

    b. Field changes arising from field conditions, errors and/or omissions in plans and specifications.

    c. Using Service requests.

The first two sources, if necessary for operability, are normally considered mandatory changes. They may result from design errors or deficiencies. The third, Using Service requests, may not be essential to the functional operation of the facility. Refer to your District policy for authority to initiate user requested changes.

Entries in the Memo fields of this screen can be imported from a Library lookup or even from another Word Processor program via the "*cut & paste*" method.

The **Edit** button presents a larger space to enter data and includes buttons for **Cut, Copy, Paste, Spell Check** and **Import.**

Import screen.
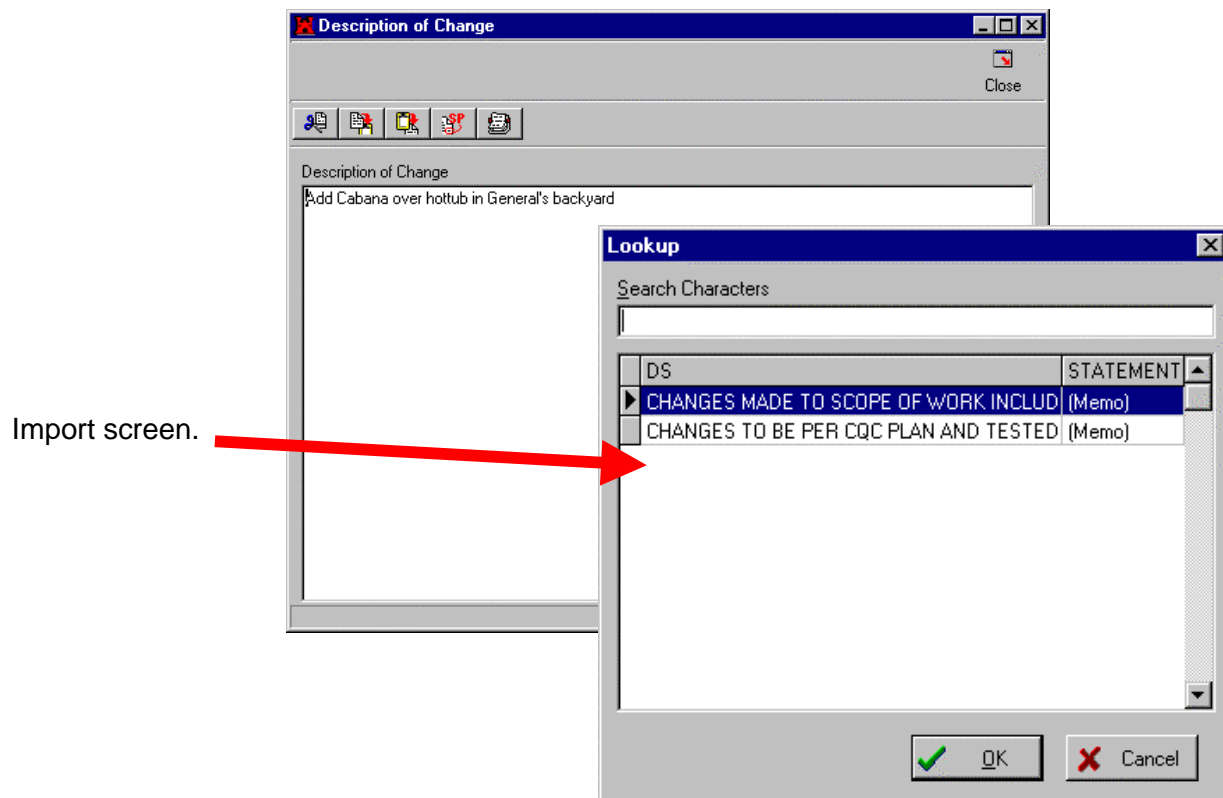
Push   the **Close** button   (twice) when complete with this screen.

After you have completed the **Description of Change** and **Necessity for Change**, the next step is to enter tracking and funding data for the **Change Request**.

Change in Drawings and Specifications

These optional fields may be used if actual changes are being made to the contract documents and additional explanation or verbiage is desired.

Status / Funding Tab

This is the screen to identify required actions and to record the milestone dates and dollar amounts for each of the elements shown. You will also identify the **Funding Account** (source of money) for the **Change Request**. (This example only has two Funding Accounts. If more than one exist, all will appear in a scrolling box if necessary.)

When each required item is completed and entered in the **Track/Fund** Change screen, the Change Request Status can be viewed to confirm each item is finished.

When the Change Request is completed it can be entered into a Contract Modification by itself, or it can be included with other **Change Requests** to form a completed **Modification** package.

A The **Transaction Code** reflects whether the funds are considered as firm, pending, funded or unfunded on the Contract Status screen. Modifications with a Code 6 are firm and obligated, while all others are pending. Only a modification or other completed action would have a Code 6.

B
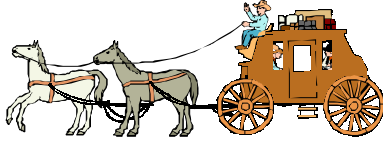
The **Stage Code**, another **Library** selection, is used for upward reporting to Project Management and to Higher Headquarters.

Lookup

Search Characters

Code	Description
A	IN AUDIT (MOD > $100,000)
C	CLAIM IN CO-OP DIVISION
D	SIGNED - MOD TO DISTRICT FOR DISTRIBUTION
E	PROPOSAL NOT REQUESTED (PRELIM. ESTIMATE)
F	FINAL - SIGNED, READY FOR CONTRACTOR PMNT
G	GOVERNMENT ESTIMATE PREPARED
H	CHANGE IN HOLD / ABEYANCE STATUS
I	PART 1 OF A 2 PART CHANGE
L	CLAIM IN OFFICE OF COUNSEL
N	CHANGE NEGOTIATED, FIRM MCD REQUESTED
P	PROPOSAL RECEIVED ($ AMOUNT ON AMPRS)

✓ OK   ✗ Cancel

C   The Print BCD button prints to screen as partially shown below.

BASIC CHANGE DOCUMENT (BCD)   Page 1 of 3

MOD SERIAL NO.	SPEC. NO.	CONTRACT NO.	DATE
WK002		DACA09-97-C-0052	11 Jun 1999

| PROJECT   Landfill Expansion | CONTRACTOR |
| LOCATION   Ft. Irwin, CA | Prime One Building Company |

PART A. 1. DESCRIPTION OF CHANGE   2. SPEC/DWG

U P G R A D E   W A T E R   L I N E ,   A S P H A L T   A N D   W A L L S

1. UPGRADE WATER SERVICE
Provide an underground 80mm water service with gate valve
and valve box from 30mm underground main south of the
facility. Connect to specified WH-1 outside room 120.
Install in accordance with section 02660. Test under fully
pressurized conditions. Allow for +/- 500 PSI tolerances
before going online. Verify system integrity prior to live
turn on

2. UPGRADE ASPHALT PAVING
Patch the existing asphalt paving near the existing supply
building and concrete tech pad west of the project site
where it is crossed by the new 300m water line at the north
side of the site.

3. TIME EXTENSION   ☒ YES   ☐ NO   CALENDAR DAYS 5   4. TOTAL $ $33,150.00

5. NECESSITY FOR CHANGE   (Attach a copy of Directive letter of authority from OCE or Using Service and brief statement as to necessity

Close the **BCD** report when complete with the screen.

Supporting Documents Tab

This tab will provide the ability to add, delete, view and edit the numerous supporting documents for a Change Request. It will present such items as access to RFP related letters, PNM's and so forth.

The screen above depicts a completed **Change Request**, as can be seen by the presence of the **green** "check marks".